HEALTH & BEAUTY AIDS

Discounters Among Fastest-Growing H&BA Outlets: Poll

CLEVELAND—Discount chains are among the fastest-growing outlets for toiletries and peg-displayed cosmetics, according to Predicasts, the information and market research firm.

Its just-released study, "U.S. Markets for Cosmetics and Toiletries," revealed that discount and variety stores combined for a 17% share of the category's retail sales in 1982. That's up from 15% since 1972, a 10-year period in which department stores were the biggest losers, down to 8%, and drug, supermarket and direct sales channels were relatively stagnant, the survey showed.

Long-term prospects are bright for discounters too, since consumers trade down to popular-priced products during recessionary times and look for lower price tags, the survey said.

For the next four years, however, Predicasts foresees fashion leading the cosmetics and toiletries category because economic recovery will free consumer spending.

Still, the cosmetics and toiletries market, which had been considered by many trade experts to be recession-proof, revealed itself to be two-pronged when the early 1980's recession hit, the survey said.

Cosmetics, which are largely discretionary purchases, are quite vulnerable in tight economic times; toiletries perform more steadily because they serve basic personal hygiene needs, the survey concluded.

Consumers' perceived differences between the two continue to narrow, Predicasts added, because lower-priced makeup and fragrances "are approaching the status of toiletries for some women, particularly those in the labor force. Similarly shampoos, conditioners and shave creams have become more fashion-oriented."

These trends aside, the market is "approaching the most advanced stages of maturity," Predicasts stressed. Real growth in shipments will slow to 1.8% annually through 1995 from 2.9% historically, it said, because of slower population growth and market saturation.

That will result in shipments valued at $24.7 billion in 1995, up from $10.5 billion in 1982, it added. Category sales, said Predicasts, depend on increasing affluence and attraction of new consumers.

Many of those consumers will be men. By a wide margin, basic male shaving, hair care and skin products will set the category growth pace for the next 11 years, the survey noted, wresting much attention from high-fashion image items for women.

As females age, the survey added, they'll opt more for hair conditioners and colorings, moisturizers, therapeutic products and other expensive franchise products. These "will experience the most rapid growth," Predicasts said.

Overall consumer spending on skin treatment products, hair dressings and colorings through 1995 will be uplifted significantly by the nation's swelling of 35- to 44-year-olds, Predicasts noted.

Problems Seen

At the same time, products which typically cater to 15- to 24-year-olds, such as acne treatment preparations, will be affected adversely by diminishing numbers of people in this age group, the survey noted.

Catering to ethnic consumers, particularly blacks, should pay off, noted Predicasts, because "blacks spend proportionately more of their total income on personal care items than whites . . . largely because their self-image stresses fashion and a fresh appearance."

The ethnic market is attracting more attention, said Predicasts, with disposable incomes of blacks increasing more rapidly.

The survey cited relatively heavier use among blacks of hair conditionings and dressings, mouthwashes and gargles, deodorants, skin lotions and bath oils, moisturizers, depilatories and emollients.

Large-scale opportunities also exist in infant care products like baby oils, powders, shampoos and lotions, it said, because the baby boom genera-

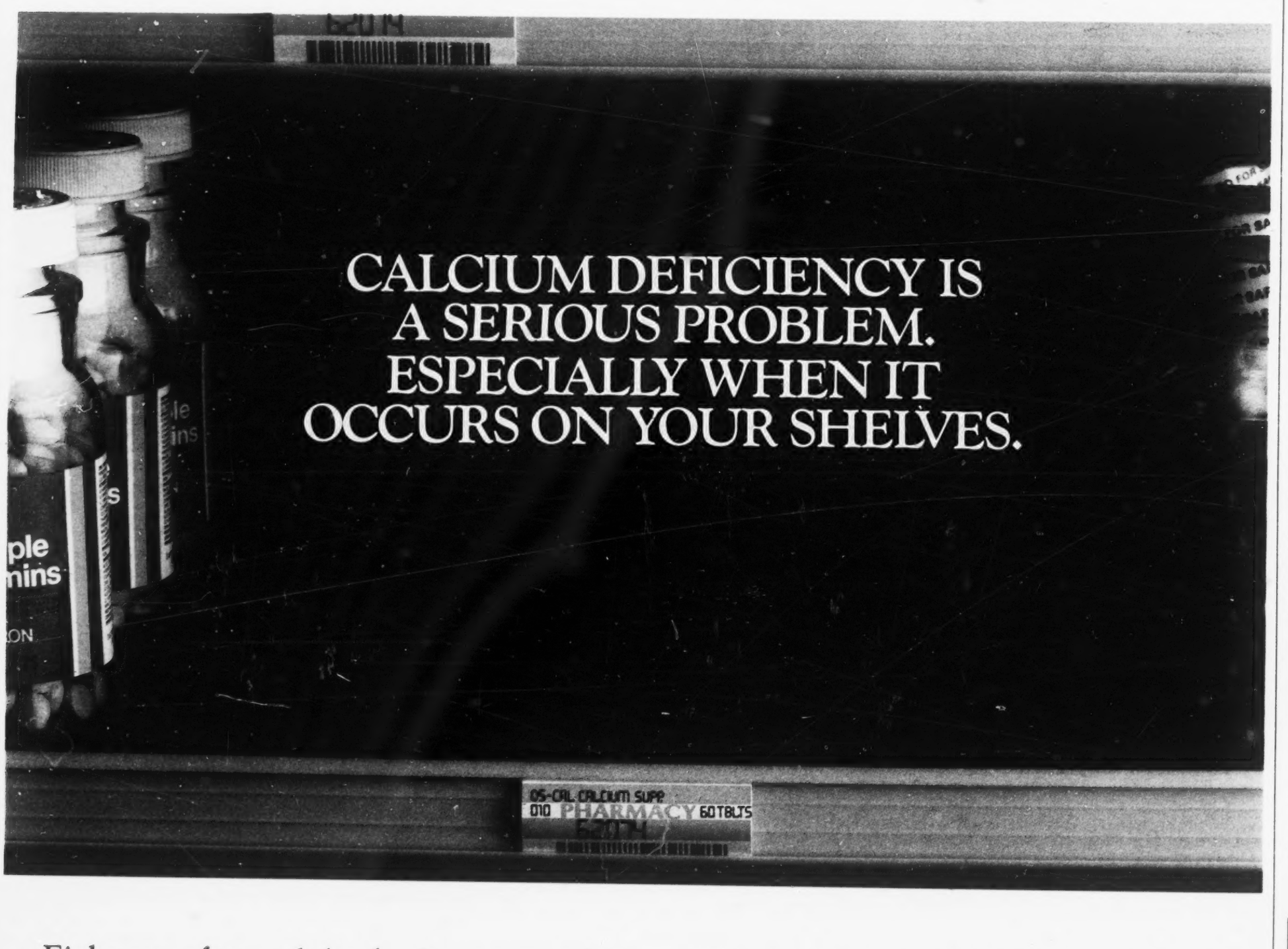
(Continued on page 23)

Retail Distribution of Cosmetics and Toiletries

Outlet	Sales (mil $) 1967	1972	1977	1982	% of Market 1967	1972	1977	1982
Total	3,800	5,500	7,800	13,500	100.0	100.0	100.0	100.0
Drug Stores	1,022	1,529	2,231	3,888	26.9	27.8	28.6	28.8
Supermkt & Grocery	912	1,276	1,903	3,375	24.0	23.2	24.4	25.0
Direct Sales	779	1,182	1,560	2,862	20.5	21.5	20.0	21.2
Discount & Variety	555	825	1,326	2,295	14.6	15.0	17.0	17.0
Department Stores	532	688	780	1,080	14.0	12.5	10.0	8.0

Note: Includes all cosmetics and toiletries except bath soaps. Food stores sell approximately 80% of bath soaps, drug stores about 11%, other outlets the remainder.

Source: Predicasts



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5/84

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Selected Producer Price Indexes (1982 = 100)

Item	1967	1972	1977	1982	1987	1995
Cosmetics & Toiletries	43.9	50.5	67.6	100.0	123.7	186.6
Shaving Soap & Cream	38.4	41.6	58.2	100.0	124.0	182.0
Soap Shampoo	68.5	67.9	74.9	100.0	115.9	152.7
Hair Tonic	42.1	47.8	69.0	100.0	21.0	180.3
Toilet Soap	36.2	42.5	65.4	100.0	124.4	192.0
Deodorant, Aerosol	46.1	48.5	61.6	100.0	126.7	196.9
Perfume	33.3	34.2	51.6	100.0	128.5	205.0
Cologne & Toilet Water	44.3	50.1	65.1	100.0	127.6	203.5
Lipstick	48.6	47.5	60.3	100.0	121.0	180.0
Cleansing Cream	29.3	35.7	53.6	100.0	126.0	197.0
Face Powder	43.4	53.5	70.3	100.0	124.0	195.0
Hand Lotion	59.4	57.1	61.0	100.0	119.0	170.0
Nail Lacquer & Enamel	64.2	71.4	90.2	100.0	117.0	167.5
Producer Price Index	33.4	39.8	64.9	100.0	126.1	196.8
Consumer Price index	34.6	43.3	62.8	100.0	128.3	198.2

Source: Predicasts

H&BA Outlets Compared

(Continued from page 16)

tion is reaching childbearing age. "Delayed childbearing of the 1970's and early 1980's will insure continuous expansion of annual births through the late 1980's, when annual births will peak at 3.9 million per year," the survey said.

Cosmetics and toiletries pricing should closely parallel the Consumer Price Index through 1995, Predicasts projected. Overall category prices should advance 4.9% annually compared with 5.4% CPI increases, the survey projected.

The category price hikes projected are lower than the historic 5.6% level because of intense competition among manufacturers, productivity gains, technological advances and greater use of less-costly synthetic substances, Predicasts noted.

Medium-priced lines get squeezed in a recession, said Predicasts, because prestige-priced products attract high-income consumers "who can afford them and continue to buy them," and many consumers perceive "little difference in quality between medium- and popular-priced lines," so they trade down.

Success of specific cosmetics and toiletries brands is tied strongly to advertising and promotional efforts, said Predicasts.

The industry spent more than $1 billion in 1982 on this, with 18 of its leading manufacturers placing among the nation's 100 leading advertisers, it said.

Segall Will Crash Atlanta

(Continued from page 8)

Housewares is behind jewelry extending to the back center of the showroom.

On the left side, the checkouts are at the front, with consumer electronics as the first merchandise area. It is followed by sporting goods and then toys and juvenile in the left rear.

The showroom's location across from Ellman's and the Gwinnett Place Mall means that Segall will broaden its mix of higher-priced merchandise, particularly in the jewelry, china, crystal and silver areas.

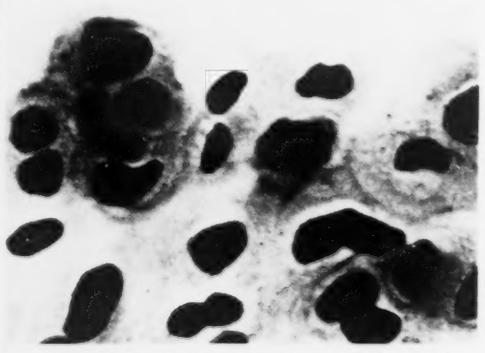
The nature of the competition and market demographics indicate the potential demand for traded-up merchandise.

Both Segall and Ellman's knew each planned to open a showroom in the strips centers across from the enclosed shopping center. Each decided to go ahead with its showroom because of the market's drawing power and future growth.

The new Ellman's will be that cataloger's third in the northeast corridor of the Greater Atlanta market.

Service Merchandise has one showroom in that area in Dorville. The cataloger has maintained its four-store count in the Greater Atlanta Area for the past half dozen years.

SOME PEOPLE RETIRE WITH MORE THAN JUST A GOLD WATCH.



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NMRI CONVENTION
See Special Section, Pp. 17

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Discount Store News®

THE NEWSPAPER OF DISCOUNT RETAILING

VOL. 23, NO. 10 | Published Biweekly, Every Other Monday, Monthly in December, by Lebhar-Friedman Inc. | $2 per copy | MAY 14, 1984

Chains Cautiously Bullish Over 2nd Half

Nationwide DSN Report

The latest economic forecasts haven't markedly dimmed discounter optimism for the second half.

But, chains' second-half projections are growing more conservative in response to higher interest rates, rising prices and slowing consumer spending.

Discounters polled by *DSN* agreed there were few surprises in this election year so far. They see their growth being spearheaded by improved store productivity, unit expansion, remodeling efforts and strengthened promotional stances—rather than, for example, surges in one or two key merchandise categories.

Ames president Gerald Kanter said, "If consumer spending slows, that would probably put a cap on the interest rate rise." He conceded that the second half could be tougher, however, and he speculated that discounters overall "will lose one or two points off comparable-store growth patterns."

His 170-store chain, which has by now fully digested its acquisition and total remodeling of 42 King's stores, is coming off a March sales period up 11% over 1983, with February up 24%. He anticipates similarly consistent gains through the rest of 1984.

Some of that growth will reflect 12 new stores and 24 remodels by year's end.

Wal-Mart will increase its coverage in its existing markets by opening 105 new units this year—including 60 in the second half. That represents an estimated 15% increase in stores, which will contribute significantly to the chain's targeted 28.6% volume growth to $6 billion this year, said David Glass, vice chairman-finance. Sales grew 38.2% last year.

Wal-Mart is sticking to its start-of-year projection of 10% comparable-store sales gains in 1984—at the high end of discounter projections which range downward to 6%.

Richway president Jack Smailes conceded the tightening economy has him a bit nervous about full-year prospects, though he's still optimistic. Coming off a rain-dampened first half, Richway still plans to keep its inventory levels higher than in 1983, he said.

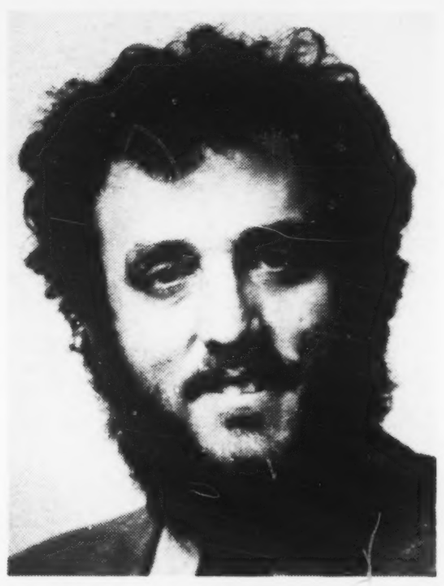
Others like Best Products are paring inventories or keeping them stable in anticipation of high interest rates.

At the nation's largest cataloger inventory levels rose 11.1% in the fiscal year ended this past January. This year, we "will stabilize it with better internal controls," said president Andrew Lewis.

Ames' Kanter said: "We were more liberal than we had to be last year because of King's. We're bringing inventories

(Continued on page 141)

Discounters "will lose one or two points off comparable-store growth patterns" in 1984—Gerald Kanter, president, Ames



Best is expanding "its younger Ashby's and jewelry store divisions faster than its conventional showrooms."—Andrew Lewis, president, Best Products

"Sixty new stores in the second half will help aim the chain toward the $6 billion mark."—David Glass, vice chmn., chief financial officer, Wal-Mart

K mart Plans Warehouse Home Centers On Its Own; Hechinger Joint Venture Off

TROY, Mich.—K mart will launch its own chain of warehouse home centers now that its plan to operate such stores in a joint venture with Hechinger fell through late last month.

The discounter will open three warehouse home centers in Chicago in the three locations that were to be the home for the first The Home Team stores. The three units are two former K marts and an ex-Woolco. Name of the warehouse operation and its management haven't been firmed up as the decision to call off the joint venture was so sudden, a K mart spokesman said.

Failure of the planned joint venture won't stop K mart's effort to diversify into other retailing and nonretailing areas as the key to its growth, with the payoff starting 3-5 years down the road, a source said.

One security analyst who closely follows the discounter explained that K mart has a team studying various types of business as part of this diversification effort.

"They are committed to this effort for their long-term growth and they are going to continue to announce lots of deals that don't pan out—but they will have some successes and that's what really counts," he said.

Besides the proposed joint venture with Hechinger, K mart last month said negotiations to acquire Associated Hosts, a restaurant chain, came apart two weeks after the deal was announced, while a plan to

(Continued on page 142)

IN BRIEF

- **AT PRESSTIME, THE HRT INDUSTRIES BOARD WAS** considering moving consultant Harold Smith into the president's office at subsidiary Zodys—but only temporarily. Most recently, Smith was a consultant for the HRT creditors committee, during the just-ended Chapter 11 period, and for McCrory, which now holds a controlling interest in HRT. Meanwhile, Leonard Baruchin, vp/gmm soft lines at Zodys' New York buying office, has resigned.
- **IN A SURPRISE MOVE, JAMES E. POOLE HAS RE**signed as president and chief operating officer of Service Merchandise after serving in that post for less than a year. Chairman and chief executive officer Raymond Zimmerman, who gave up the two positions to Poole, said he would "probably" reassume Poole's titles.
- **K MART DENIED REPORTS IT OFFERED TO BUY** Waldenbooks from Carter Hawley Hale. The discounter, as a possible diversification move, had discussed such a step with Morgan Stanley & Co., a brokerage house representing Carter Hawley Hale.

Digest

May 14, 1984

NMRI'S ANNUAL CONVENTION

- ***DSN*'s special section on the NMRI convention includes** stories on: the changing Greater Miami retail population (pp. 53-57); seminar previews (pp. 28-50); K mart's new ad program (p. 61); Ames' use of shoppers' zip codes to analyze sales (p. 84), and the private label growth in apparel (p. 92).

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Tests Hilliary James Stores

U.S. Shoe Reorients Off-price Approach

CINCINNATI—Executives at U.S. Shoe are taking steps to protect the potential Achilles' heel of its retailing empire—off-price ladies' apparel—by reorienting its approach to the market.

- Last month, Hilliary Jaymes, a new women's clothing store, was unveiled in Atlanta and Minneapolis. Recognizable value, rather than identifiable labels will dictate assortments in the new chain.
- A new management team at T. H. Mandy, its established women's wear off-pricer, has been charged with expanding that store's mix to include dresses, suits and coats.
- Store expansion at T. H. Mandy and Front Row has been curbed to two T. H. Mandy and two Front Row stores this year. That was done to give the parent time to "regroup" after initial expansions during the past two years.
- The company's men's wear off-price chain, Greystone LTD, was renamed from Outletters, in preparation for this year's stepped-up expansion of five new stores—which will double the current unit count to 10.
- Similarly, corporate executives are considering a new name for its Young Folks children's wear division, whose expansion was this year slowed to four from 13 in '83. Armed with a yet undisclosed new name, the company can step-up the roll-out without copyright infringement on the Young Folks name.

(Continued on page 4)

DSN's Biggest NMRI Convention Issue!

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U.S. Shoe Wields Five Off-price Apparel Arms

CINCINNATI—U.S. Shoe is now operating a total of six off-price retail divisions, five of which sell apparel.

T. H. Mandy is a women's wear off-pricer with 16 units located in Washington, D.C., Chicago, Philadelphia and Texas. By year's end there will be a total of 18 Mandy units in operations.

Hilliary Jaymes is a test run of two ladies' wear strong-value stores in Atlanta and Minneapolis.

Young Folks children's wear stores will include a total of 23 units by the close of this year.

Home Front discounts textiles for the kitchen, bed and bath plus housewares. Some 44 units are slated to be up and running by year's end.

Greystone LTD, is the off-price men's wear chain, previously called Outletters. Five new openings planned for '84 will bring the chain total up to 10.

Front Row, launched in 1982, is the concept that includes men's wear, ladies' wear and children's wear sections plus shoes and domestics/housewares departments. By the end of this year, a total of 10 Front Row stores will be operating.

During 1983 the company sank $5 million into launching Home Front and expanding its other off-price chains. In total, the company's off-price concerns reported a $6 million operating loss.

Mars Opens 1st In Rhode Island

NEW BEDFORD, Mass.—Mars has opened a new store of approximately 56,000 sq. ft., in North Smithfield, R.I., its first in that state.

President Paul Kwasnick commented: "With the opening of this, our 14th unit, Mars has doubled the number of stores operated since the start of our current expansion program in March 1983."

Off-price ladies' apparel sales lagged in '83 at Front Row (above) where labels are stressed, and at T. H. Mandy. Parent U.S. Shoe is refining its approach to the business and testing a new kind of store.

U.S. Shoe

(Continued from page 1)

At the same time, buying responsibilities among the off-price ladies' wear chains have been reorganized in an effort to sharpen the focus of each. Last September the buying staff for the 16 T. H. Mandy stores were relieved of the eight women's departments in Front Row multiclassification stores.

Setup Is Refined

Buyers brought in last fall to handle Front Row ladies' departments now serve a dual role: buying for the two Hilliary Jaymes stores plus the Front Row outlets. That piggyback relationship previously in place for T. H. Mandy and Front Row was more successful in other areas. In men's wear the buyers for the five Greystone LTD stores continue to provide goods for the men's wear departments in Front Row. Young Folks buyers provide the children's wear items, and Home Front buyers supply the domestics/housewares departments of Front Row.

U.S. Shoe, a $1.5 billion shoe manufacturer and retailing conglomerate, owed some 49% of its '83 volume to the shoe business and about 42% to full-markup apparel retailing.

Some 7% or $131 million of U.S. Shoe's volume last year came out of its six off-price operations, which include Home Front domestics and housewares stores, Mandy, Greystone, Front Row and Young Folks.

Company officials attributed losses within its "freestanding strong-value" divisions during '83 to lower than expected margins in both T. H. Mandy and Young Folks children's wear stores. But, "it's primarily in the women's areas in T. H. Mandy and in Front Row where we aren't getting enough margins," a company spokesman explained.

The appearance of more off-pricers and more aggressive promotions from department stores were the main factors that hurt margins, according to Melvin Schneck, vp, specialty retailing.

New Approach

The new value-oriented Hilliary Jaymes is a test run of one route to higher margins—less emphasis on labels. At press-time company officials were uncertain of the role branded goods will play in the new concept, which company insiders said is based on the premise "value is in the eye of the consumers—rather than on the label."

Results from the 8,000-sq.-ft. Hilliary Jaymes in Atlanta and the 5,000-sq.-ft. unit in Minneapolis will be analyzed after the first six months. "At this stage we can still take the concept in any of several different directions," said a company spokesman. Meanwhile, at T. H. Mandy a new direction is being given by six-month ceo Neil Tyler, who had been part of the corporate marketing team in Cincinnati, and one month vp, gmm Joseph Orenstein, whose merchandising background includes posts at Lord & Taylor, Bullock's, Alexander's and Ohrbach's. Together the two will broaden the mix and hopefully increase returns of the T. H. Mandy chain.

Correction

The Housewares Product Movement Audits of Schreiber & Co., Lititz, Pa., appearing in the April 16 issue, represented the Jan. 1-31, 1984, period.

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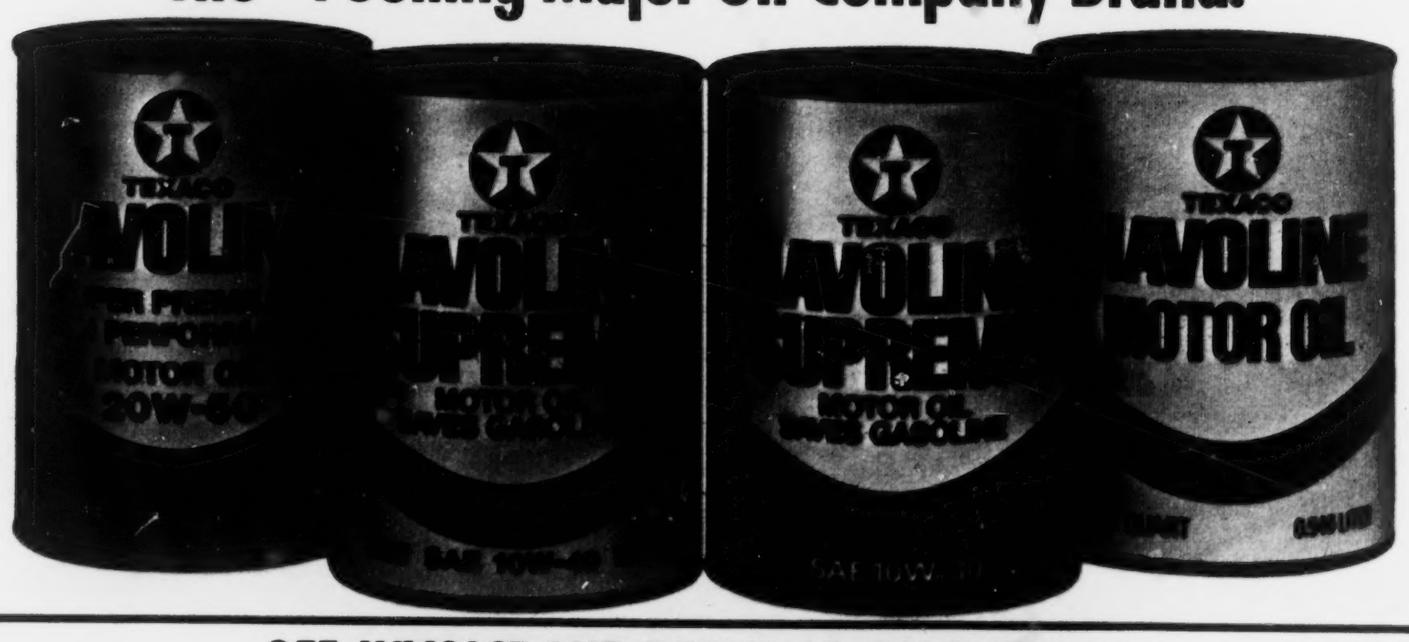

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ADVERTISING

NMRI

Zapping (Switching Off) Commercials Seems on Rise

NEW YORK—While commercial "zapping" hasn't reached epidemic proportions, retailers and consumer product manufacturers are worried about some of the TV games consumers are playing.

("Zapping" is what a TV viewer with a remote control device does when a commercial comes on the air: changes channels.)

Although only 5% to 7% of the average prime time audience switch channels during commercial minutes, according to a recent survey conducted by A. C. Nielsen, the two most prevalent "zapping" audiences, homes with pay cable and those using remote control devices, appear to be on the rise.

Homes with pay cable tend to "zap" commercials about 6.2% with 3.4% accounting for a total tune out. Basic cable households switch-off commercials about 4.8% with 2.8% being tune outs. Nonwired homes account for a 4.7% rate of dial switching with 2.7% tuning out entirely.

As cable penetration increases from its current level of 41%, more viewers will be faced with the increased number of programs available. Pay cable households equaled about 25% of total TV homes in which half of those have the capability of receiving 20 or more programs. More choices translates into more switching.

The other single highest dial changing group, homes with remote control devices, switch from commercials about 7.1%, compared to households without remote that "zap" 4.5%. Owning remote control makes "zapping" as easy as pushing a button, in contrast to physically changing the dial.

Remote control devices are most widespread in pay cable households where 28% are equipped with the "zappers." Only half that figure have remote control in non-wired households.

As these figures increase, as they're expected to, "zapping" numbers must certainly escalate. The number of homes with remote control TV sets are expected to double to 43% of all TV homes by 1988, according to industry reports.

Obviously, zapping and tune outs tend to be higher during commercial minutes than within program, from 40% to 80% higher.

The study shows most of the switching occurs in the first five minutes, when viewers choose to see what their alternatives are and where commercial pods appear after the first minute of the show opening. Program conclusions also show a high rate of switching although the phenomenon drops within the body of the program.

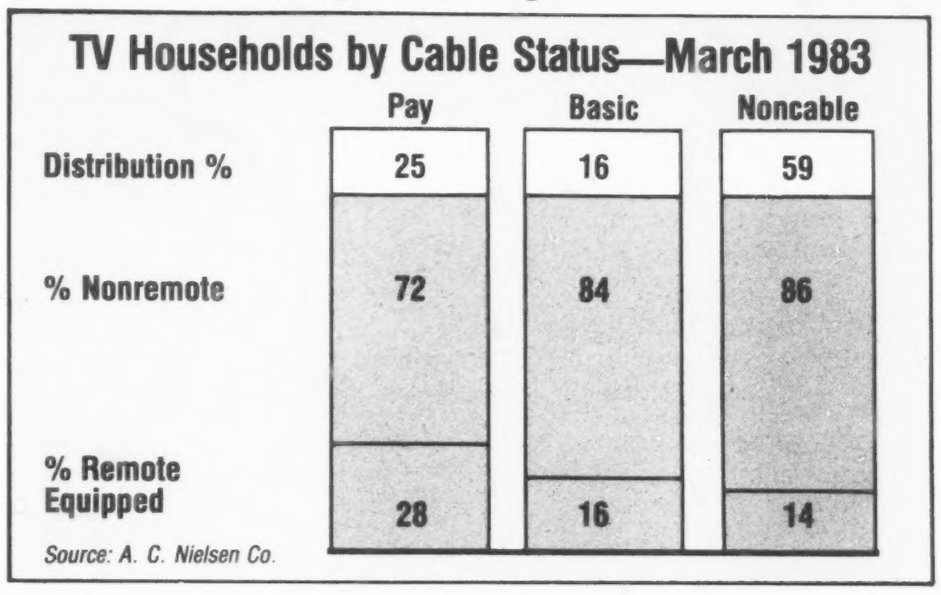
Different Strategy

This high rate of early minute "zapping" appears to be the signal making several advertising agencies rethink current commercial placement strategy. New proposals are calling for the shifting of traditional commercial pods to deeper into the program but the idea has not been accepted by the networks as of this time.

But even if commercial placement does change, it would still not entirely solve the "zapping" problem, particularly with regard to remote controls.

Households with remote devices tend to do more dial switching within the program as the program increases in duration. Homes without remote controls do not show this characteristic and remain stable for short, as well as, long periods of programming.

Homes grouped by cable status, particularly those with pay services, show the same switching tendency



Although cable, both pay and basic, is only at 41% penetration, its prevalence is expected to grow, and, with an increasing number of remote control-equipped TV sets anticipated to be consumed by the mass market, "zapping" could become a serious problem.

But don't take our word for it.

Take yours.

Just think of your own experience with AT&T products and how they've served your family.

AT&T is one of the best understood, highest-quality brand names in the business.

And that's because it has something many other companies don't. A relationship with millions of people.

But AT&T Consumer Products does not live on product or reputation alone. We provide you with a total program: Merchandising. Packaging. Servicing. Training. And promotion support to make the most of the growing phone business.

With all we have to offer, there's a simple way to look at us:

The single source.

AT&T Consumer Products offers more than 50 types of phones for every type of person, market and need, and in many colors and styles. No one else does.

So your store, whether it's in a big city or small town, can get exactly what it needs to sell.

You can choose the latest in Elite® phones and one-touch memory Touch-a-matic® phones. There are AT&T classic telephones: The Princess® and the Traditional. The advanced Genesis™ telesystem. Our family of Nomad® cordless phones. A totally new type of product, The Emergency Call System. And products like answer-and-record systems which help a phone do more.

You can also sell a full line of AT&T Do-It-Yourself Wiring and Accessories..

We set the standards, and set you up in business.

You get high margins with us and volume discounts, too.

And if you think you get too many returns in the phone business, you're just not dealing with AT&T.

First of all, we never assume everyone has all the information he needs for selling. So we offer a free training course to help you turn browsers into buyers.

And we keep on backing you up. With the kind of commitment you'd expect from a company that has 107 years in the business.

Our visual merchandising program has a lot of bright ideas. Floor plans and designs to meet your needs. High-visibility signage. Exciting point-of-sales graphics. Self-explanatory packaging.

There are even more selling advantages. Like our limited one-year warranty.

Our 800 number on each product, so your customer can call up about a problem or question. That way, they call us. They don't bother you.

There's also an 800 number for you, or your sales people. And your local AT&T sales rep is always ready to help.

You can even go by the book.

Our sales and product binders tell you just about everything anyone could ask about phones.

Biggest ad campaign in the business.

Sales of phones over the last five years have risen over 100 percent. It isn't just an accident. We know how to keep customers coming in.

We're launching a brand-new campaign in addition to our "We Set the Standards" series. The theme: "AT&T quality. Don't take our word for it, take yours."

You'll get sales and promotion kits to help you advertise in any media. That means logos, drawings and copy so you can tie in. Cooperative advertising allowances are liberal. And to top it all off, AT&T has a complete schedule of exciting promotions for major holidays and every season in the year.

The last word.

Success.

It's what happens when a high-quality, high-turnover product line is backed by a complete and aggressive sales program.

With all of this profit potential going for you, don't you owe it to yourself to call us? Dial 1-800-222-6111. Toll free.

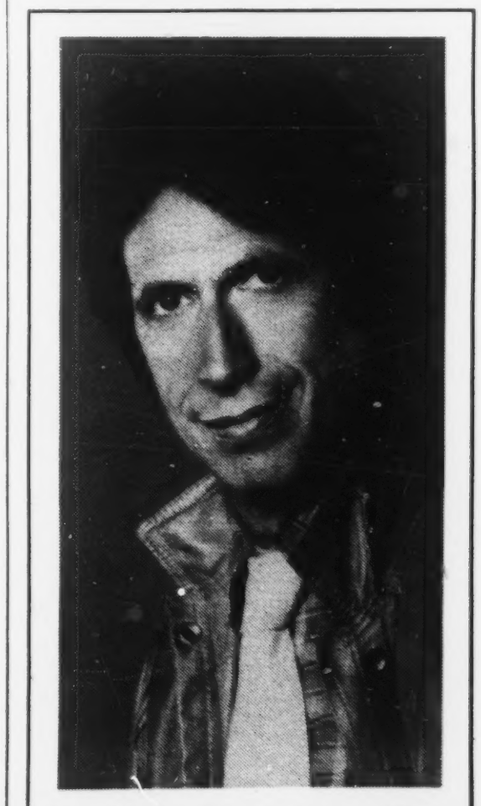
Now that you've read our words, we want to hear yours.

We set the standards.

AT&T Consumer Products

© 1984, AT&T

Visit us at the Consumer Electronics Show, booth #2027, McCormick Place.



David Brenner, comedian and television personality, will be a featured entertainer at the Gala Annual Banquet on Tuesday evening, May 8.

ADVERTISING

NMRI

Most Chains' TV-Ad Outlay Soars in 1983

Top Discount Department Store Spot TV Advertisers in a Single Market

Chain	1982	1983	% Change
Gemco, Los Angeles	$3,238,500	$3,003,600	− 7
Fred Meyer, Portland, Oregon	2,026,900	2,791,700	+ 38
Fortunoff, New York	1,998,100	2,480,600	+ 24
Target, Los Angeles	0	2,305,500	
Zodys, Los Angeles	2,003,400	1,848,900	− 8
Fred Meyer, Seattle	960,200	1,795,200	+ 87
Venture, Chicago	1,094,300	1,644,200	+ 50
Zayre, Boston	683,700	1,513,900	+121
Wal-Mart, Dallas	1,754,500	1,493,300	− 15
Target, Dallas	1,681,600	1,330,600	− 21

Source: Television Bureau of Advertising from Broadcast Advertisers Reports (BAR) data.
Note: Most co-op activity is credited to the manufacturer by BAR and not to the above retail advertisers.

West Coast Discounters Lead in Single-Market Expenditures

NEW YORK—West Coast chains led the discount industry in single-market television advertising expenditures in 1983.

Discounters' and catalogers' television advertising also intensified in such markets as Boston and Chicago with Zayre and Service Merchandise more than doubling their television advertising outlays last year, according to the Television Bureau of Advertising (TvB).

In single-market expenditures, Los Angeles-based Gemco was the leader with $3,003,600 spent in its home town, despite a 3% drop-off from 1982. Target ranked fourth, spending $2,305,500 in 1983 to support its entry into California in the former FedMart units.

Elsewhere on the West Coast, Oregon-based Fred Meyer increased its local advertising last year, particularly in the Seattle market, where it spent $1,795,200 87% over its 1982 outlay.

Advertising competition was intense in the Chicago market, where Zayre and Venture greatly increased their advertising budgets.

Venture, for example, increased its outlay by 50% to $1,644,200, placing seventh overall in the single-market advertising roster.

At the same time, Zayre's expenditures rose to $1,131,800 during 1983, 131% above its 1982 outlay in the Windy City market.

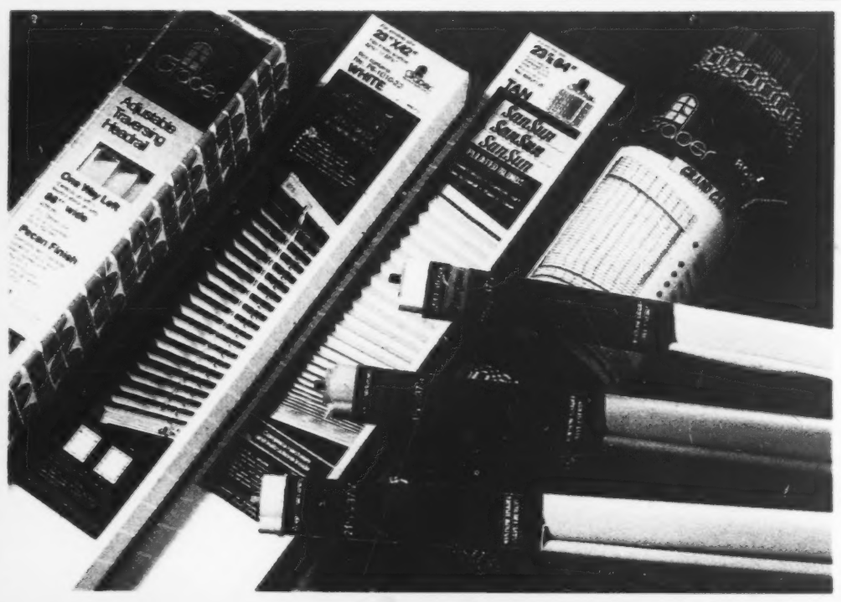
The Massachusetts-based discounter made a similar increase in its advertising payout in Boston, shelling out $1,513,900 in 1983. Cataloger Service Merchandise also upped its advertising expenses by 137% in the Boston market, spending $1,132,600 there last year.

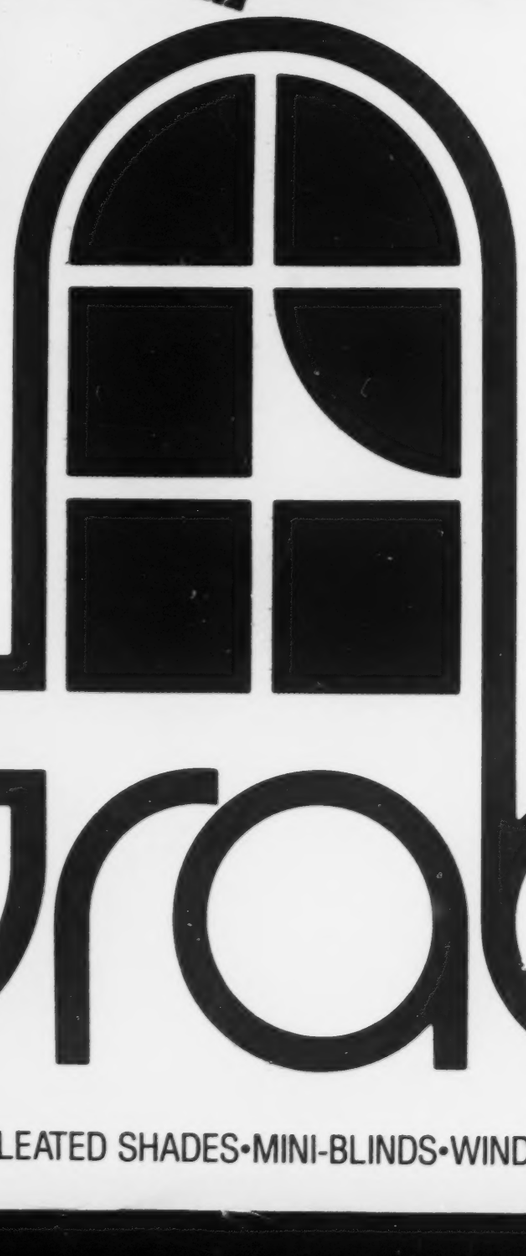
In Dallas, however, the trend went the other way with Target and Wal-Mart decreasing their advertising outlays by 21% and 15%, respectively.

In total spot television advertising for 1983, Target supplanted Wal-Mart as the top advertiser in this category increasing its expenditures by 23% to $10,754,800, while Wal-Mart's spot television payout dropped by 24% to $8,140,600. Service Merchandise, which increased

(Continued on page 72)

Graber Windoware Center





Increase your profits with a complete line of today's alternate window treatments!

The Graber Windoware Center earns every foot you give it...and gives you bonus discounts for each additional line displayed ■ Only Graber offers the complete line of quality stock products, competitively priced and fully merchandised ■ The modular, self-selling Windoware Center makes it easy for customers to mix and match window treatments to complement today's flexibility in home decor ■ All Graber products feature attractive packaging with full product visibility and complete installation information ■ Graber's single source approach makes it easier for you to meet prepaid freight limits and qualify for bonus discounts ■ For complete details, call TOLL FREE (800) 356-9102 (in Wisconsin, (800) 362-9694) or write Graber Industries, Inc.; Graber Plaza; Middleton, WI 53562.

A Division of Springs Industries

FEATURED IN THE DESIGN HOME '84 1984 WORLD'S FAIR

Graber®

DRAPERY HARDWARE•PLEATED SHADES•MINI-BLINDS•WINDOW SHADES•VERTICAL BLINDS•ROLL-UP BLINDS

Whitlock Appoints Helft Prexy, COO

WHITE PLAINS—Norman Helft has been named president and chief operating officer at Whitlock, the automotive specialty discount chain.

He replaces John L. Robinson, who left the company for personal reasons.

For the past 15 years, Helft has served Whitlock as senior vp-corporate merchandising.

Replacing Helft in the corporate merchandising vp post will be William Coupe Jr., who will be responsible for all purchasing and merchandising operations for the 75-store chain.

Store Shift Is Set By Empire-Crown

MINNEAPOLIS—Empire-Crown Auto, the 48-unit specialty discount chain based here, is moving its Forest Lake, Minn., store to a larger location.

The new unit, slated to bow Aug. 1, will be 33% larger than the current outlet and will have six automotive service bays while the present location only has one. The current unit will operate until the new one is opened.

ADVERTISING

NMRI

Most Chains' TV-Ad Outlay Soars in 1983

Television Advertising Expenditures by the 'Big Four'

Chain	1982 Network	1982 Spot TV	1982 Total TV	1983 Network	1983 Spot TV	1983 Total TV	% Change (Total TV)
Sears	$87,540,100	$12,544,700	$100,084,800	$115,895,600	$17,300,500	$133,196,100	+33
J. C. Penney	23,790,500	11,656,400	35,446,900	31,857,700	12,506,600	44,364,300	+25
K mart	32,469,800	7,446,500	39,916,300	23,539,300	9,017,900	32,557,200	−18
Montgomery Ward	0	9,309,800	9,309,800	33,300	9,289,900	9,323,200	No Change

Source: Television Bureau of Advertising from Broadcast Advertisers Reports data.

K mart Bucks Tide, Cuts TV

NEW YORK—K mart cut back its television advertising expenditures by 18% in 1983.

The other of the big four retailers either remained constant or increased their budgets by at least 25%, according to figures released by the Television Bureau of Advertising (TVB).

Athough K mart actually increased its expenditure on spot television ads from $7,446,500 in 1982 to $9,017,900 last year, it posted an overall decline by cutting back network advertising to $23,539,300 from the $32,469,800 it spent in 1982.

Montgomery Ward had no overall percentage change in its total spent on television advertising last year. It shifted television advertising funds, putting a modest $33,300 in network advertising in 1983 and slightly reducing spot television spending to $9,289,900 from $9,309,800 in 1982.

Sears remained the largest retail television advertiser by increasing its television advertising expenditures by 33% in 1982.

J. C. Penney posted a 25% overall increase in its television advertising outlay. While Penney's spot expenditures rose to $12,506,600 from $11,656,400 in 1982, its network outlay skyrocketed to $31,857,700 from $23,790,500 in 1982.

Off-Price Retailers' Payout Rises 70%

NEW YORK—Off-price retailers' television advertising in 1983 totaled $26.6 million, a 70% increase from 1982's $15.7 million, according to the Television Bureau of Advertising.

In the face of an intensely competitive market, off-price retailers, expecially apparel chains, turned increasingly to television commercials.

Leading the overall off-price retailer group was Burlington Coat Factory, whose $5,195,900 1983 advertising expenditures were 72% above the 1982 figure of $3,028,600. Coming in second was Marshalls, the largest off-price apparel chain, whose $4,492,400 expenditure was 79% over 1982.

In 1983, television advertising played a massively more important role at J. Brannam in 1982: The Woolworth subsidiary's $1,514,100 worth of television commercials was 516% above its 1982 total.

Other off-price chains which boosted their television advertising last year included Dress Barn, whose 1983 expenditure of $236,800 was 72% over 1982, and Shoe Town, which spent $1,622,900 on television in 1983, 88% more than in 1982.

Front Row and Ross Stores entered the television advertising fray, with $614,900 and $306,700 worth of commercials, respectively.

Expenditures in Single Markets

Leading Discounter and Cataloger Spot TV Advertisers

Chain	1982	1983	% Change
Target	$ 8,755,000	$10,754,800	+23
Wal-Mart	10,756,800	8,140,600	−24
Service Merchandise	3,367,800	5,862,800	+74
Gemco	6,321,500	5,653,200	−11
Zayre	3,661,800	5,470,000	+49
Fred Meyer	2,991,700	4,586,900	+53
Hills	3,505,500	4,523,700	+29
Best Products	3,000,200	3,431,600	+14
Meijer's	1,875,900	3,064,800	+63
Venture	2,231,200	2,706,900	+21
Fortunoff	1,998,100	2,480,600	+24
T.G. & Y.	4,370,000	2,443,000	−44
Roses	1,717,900	2,416,800	+41
Zodys	2,884,300	2,205,600	−24
Richway	3,598,400	1,930,700	−46

Source: Television Bureau of Advertising from Broadcast Advertisers Reports (BAR) data. Note: Most co-op activity is credited to the manufacturer by BAR and not to the above retail advertisers.

(Continued from page 68)

its spot television costs by 74% last year, came in third with $5,862,800.

Among discounters, the largest increase in total spot advertising expenditures came from such chains as Zayre, with 49%, Fred Meyer with 53% and Roses with 41%.

In contrast, troubled T.G. & Y. spent $2,443,000 in 1983, 44% less than it spent in 1982. Richway's spot television outlay decreased to $1,930,700 last year, 46% less than it spent in 1982.

The TvB spot television advertising figures do not include most co-op advertising activity, which is credited to the manufacturers by the Broadcast Advertisers Report and not to the retail advertisers.

Off-Price Retailers: Leading TV Advertisers

Chain*	1982	1983	% Change
Burlington Coat Factory	$3,028,600	$5,195,900	+ 72
Marshalls Inc. (Melville)	2,547,700	4,492,400	+ 76
Kuppenheimer Factory Stores (Hercules)	2,501,700	4,472,200	+ 79
T. J. Maxx (Zayre)	1,616,200	1,838,300	+ 14
Shoe Town (Felsway)	863,500	1,622,900	+ 88
J. Brannam (Woolworth)	261,600	1,612,200	+ 516
National Brands Outlet	1,035,800	1,526,300	+ 47
Syms	1,610,300	1,514,100	− 6
Linens 'n Things (Melville)	655,200	1,102,100	+ 68
Plums (Dayton Hudson)	11,400	834,800	+7,223
Front Row (U.S. Shoe)	0	614,900	
Fashion Gal (Apparel Industries)	413,300	378,400	− 8
Ross Stores	0	306,700	
Dress Barn	137,600	236,800	+ 72
Filene's Basement (Federated)	356,600	200,600	− 44

**Name of parent companies in parentheses.*
Source: Television Bureau of Advertising from analysis of Broadcast Advertisers Reports data.

We Honor
Kmart
The Saving Place
Sale Starts Wed., April 18
Sale Ends Sat., April 21
Regular Prices May Vary At Some Stores Due To Local Competition
Easter Sale
25% OFF
Our Regular Low Prices
Beautifully Tailored Linen-look Coordinated Separates

New Momentum In Apparel-land

Easter was the perfect time for both Murphy's Mart and K mart to carry their new emphasis on fashion in apparel through to chain circulars. K mart went after the adults on the front page, striking a dressy fashion note with complete outfits. Women's suits tagged as "linen-look" featured stripes or solids and skirts or pants. Models were even accessorized with pearl necklaces, bracelets and earrings. Men weren't left out of the K mart apparel picture. The message is K mart has the complete outfit including coordinated ties and belts. Murphy's Mart, also after more apparel sales, devoted over half of its Easter circular to apparel for the first time ever. Girls' dresses got the front-page treatment. Inside, ladies' dresses, lingerie, infants' wear, boys' separates and men's wear were all represented.

NOTE

ONLY THE FOLLOWING PAGES OF THIS

PUBLICATION HAVE BEEN FILMED

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106, 116, 123.